

By. Carson

S.J.R. No. 21

SENATE  
A JOINT RESOLUTION

1 proposing a constitutional amendment relating to the exemption from  
2 ad valorem taxation of certain leased motor vehicles not held  
3 primarily for the production of income.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subsections (d) and (e), Section 1, Article VIII,  
6 Texas Constitution, are amended to read as follows:

7 (d) The Legislature by general law shall exempt from ad  
8 valorem taxation household goods not held or used for the  
9 production of income and personal effects not held or used for the  
10 production of income. The Legislature by general law may exempt  
11 from ad valorem taxation:

12 (1) all or part of the personal property homestead of  
13 a family or single adult, "personal property homestead" meaning  
14 that personal property exempt by law from forced sale for debt;  
15 [and]

16 (2) subject to Subsections (e) and (g) of this  
17 section, all other tangible personal property, except structures  
18 which are personal property and are used or occupied as residential  
19 dwellings and except property held or used for the production of  
20 income; and

21 (3) subject to Subsection (e) of this section, a  
22 leased motor vehicle that is not held primarily for the production  
23 of income by the lessee and that otherwise qualifies under general  
24 law for exemption.

3-19-99

3-25-01

5-20-99 5-20-01

1           (e) The governing body of a political subdivision[~~7--other~~  
2     ~~than--a-county-education-district,~~] may provide for the taxation of  
3     all property exempt under a law adopted under Subdivision (2) or  
4     (3) of Subsection (d) of this section and not exempt from ad  
5     valorem taxation by any other law. The Legislature by general law  
6     may provide limitations to the application of this subsection to  
7     the taxation of vehicles exempted under the authority of  
8     Subdivision (3) of Subsection (d) of this section. [~~In-the-manner~~  
9     ~~provided-by-law,~~~~the-voters-of-a-county-education--district--at--an~~  
10    ~~election--held-for-that-purpose-may-provide-for-the-taxation-of-all~~  
11    ~~property-exempt-under--a--law--adopted--under--Subdivision--(2)--of~~  
12    ~~Subsection--(d)--of--this--section--and--not-exempt-from-ad-valorem~~  
13    ~~taxation-by-any-other-law.~~]

14           SECTION 2. This proposed constitutional amendment shall be  
15     submitted to the voters at an election to be held November 2, 1999.  
16     The ballot shall be printed to permit voting for or against the  
17     proposition: "The constitutional amendment to authorize the  
18     legislature to exempt from ad valorem taxation leased motor  
19     vehicles not held by the lessee primarily to produce income."

## **BILL ANALYSIS**

Senate Research Center  
76R1230 JD-D

S.J.R. 21  
By: Carona  
Finance  
3/15/1999  
As Filed

### **DIGEST**

Currently, Texas law requires ad valorem taxes to be assessed on personal property. Taxing entities may apply ad valorem taxes to personally leased motor vehicles. Leasing accounts for nearly 10 percent of all new vehicle deliveries. S.J.R. 21 would provide an ad valorem tax exemption on personally leased vehicles.

### **PURPOSE**

As proposed, S.J.R. 21 requires the submission to the voters of a constitutional amendment to provide an exemption for vehicles from ad valorem taxes.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Sections 1(d) and (e), Article VIII, Texas Constitution, to authorize the legislature by general law to exempt from ad valorem taxation, and subject to Subsection (e) of this section, a leased motor vehicle that is not held primarily for the production of income by the lessee and that otherwise qualifies under general law for exemption. Authorizes the legislature by general law to provide limitations to the application of this subsection to the taxation of vehicles exempted under the authority of Subsection (d)(3) of this section. Deletes text regarding voters at an election providing taxation for all property exempt under law. Makes conforming and nonsubstantive changes.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held on November 2, 1999. Sets forth the required language for the ballot.

1-1 By: Carona S.J.R. No. 21  
1-2 (In the Senate - Filed February 4, 1999; February 10, 1999,  
1-3 read first time and referred to Committee on Finance;  
1-4 March 22, 1999, reported favorably by the following vote: Yeas 10,  
1-5 Nays 0; March 22, 1999, sent to printer.)

1-6 SENATE JOINT RESOLUTION

1-7 proposing a constitutional amendment relating to the exemption from  
1-8 ad valorem taxation of certain leased motor vehicles not held  
1-9 primarily for the production of income.

1-10 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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1-15 production of income and personal effects not held or used for the  
1-16 production of income. The Legislature by general law may exempt  
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1-18 (1) all or part of the personal property homestead of  
1-19 a family or single adult, "personal property homestead" meaning  
1-20 that personal property exempt by law from forced sale for debt;  
1-21 [and]

1-22 (2) subject to Subsections (e) and (g) of this  
1-23 section, all other tangible personal property, except structures  
1-24 which are personal property and are used or occupied as residential  
1-25 dwellings and except property held or used for the production of  
1-26 income; and

1-27 (3) subject to Subsection (e) of this section, a  
1-28 leased motor vehicle that is not held primarily for the production  
1-29 of income by the lessee and that otherwise qualifies under general  
1-30 law for exemption.

1-31 (e) The governing body of a political subdivision[~~other~~  
1-32 ~~than a county education district,~~] may provide for the taxation of  
1-33 all property exempt under a law adopted under Subdivision (2) or  
1-34 (3) of Subsection (d) of this section and not exempt from ad  
1-35 valorem taxation by any other law. The Legislature by general law  
1-36 may provide limitations to the application of this subsection to  
1-37 the taxation of vehicles exempted under the authority of  
1-38 Subdivision (3) of Subsection (d) of this section. [In the manner  
1-39 provided by law, the voters of a county education district at an  
1-40 election held for that purpose may provide for the taxation of all  
1-41 property exempt under a law adopted under Subdivision (2) of  
1-42 Subsection (d) of this section and not exempt from ad valorem  
1-43 taxation by any other law.]

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1-45 submitted to the voters at an election to be held November 2, 1999.  
1-46 The ballot shall be printed to permit voting for or against the  
1-47 proposition: "The constitutional amendment to authorize the  
1-48 legislature to exempt from ad valorem taxation leased motor  
1-49 vehicles not held by the lessee primarily to produce income."

1-50 \* \* \* \* \*

**FAVORABLE  
SENATE COMMITTEE REPORT ON**

SB SCR (SJR) SR HB HCR HJR 21  
By Carona  
(Author/Senate Sponsor)  
3/22/99  
(date)

Sir:

We, your Committee on FINANCE, to which was referred the attached measure, have on March 18, 1999 (date of hearing), had the same under consideration and I am instructed to report it back with the recommendation (s) that it:

- ☒ do pass and be printed  
☐ do pass and be ordered not printed  
☐ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☒ yes ☐ no

A revised fiscal note was requested. ☐ yes ☒ no

An actuarial analysis was requested. ☐ yes ☒ no

Considered by subcommittee. ☐ yes ☒ no

The measure was reported from Committee by the following vote:

	YEA	NAY	ABSENT	PNV
Senator Ratliff, Chair	<input checked="" type="checkbox"/>			
Senator Truan, Vice-Chair	<input checked="" type="checkbox"/>			
Senator Barrientos	<input checked="" type="checkbox"/>			
Senator Carona	<input checked="" type="checkbox"/>			
Senator Duncan	<input checked="" type="checkbox"/>			
Senator Fraser	<input checked="" type="checkbox"/>			
Senator Gallegos	<input checked="" type="checkbox"/>			
Senator Lindsay	<input checked="" type="checkbox"/>			
Senator Moncrief	<input checked="" type="checkbox"/>			
Senator Ogden			<input checked="" type="checkbox"/>	
Senator West	<input checked="" type="checkbox"/>			
TOTAL VOTES	<u>10</u>	<u>0</u>	<u>1</u>	<u>0</u>

**COMMITTEE ACTION**

S260 Considered in public hearing

S270 Testimony taken

Patricia Hicks  
COMMITTEE CLERK

Buc Ratliff  
CHAIR

Paper clip the original and one copy of this signed form to the original bill  
Retain one copy of this form for Committee files

WITNESS LIST

SJR 21  
SENATE COMMITTEE REPORT  
Finance Committee

March 17, 1999 - 9:00A

For: Blassingame, David (NVLA Texas Chapter), city not given

Registering, but not testifying:

For: Cates, Phil (NVLA Texas Chapter), Austin

Guerrero, Brenda (NVLA Texas Chapter), Austin

Guerrero, Joe (Texas Vehicle Leasing Association), Austin

Rogers, Rob (NVLA Texas Chapter), Dallas

## **BILL ANALYSIS**

Senate Research Center  
76R1230 JD-D

S.J.R. 21  
By: Carona  
Finance  
3/15/1999  
As Filed

### **DIGEST**

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SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held on November 2, 1999. Sets forth the required language for the ballot.

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 76th Regular Session**

March 7, 1999

**TO:** Honorable Bill Ratliff, Chair, Senate Committee on Finance

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** **SJR21** by Carona (proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income), **As Introduced**

**No fiscal implication to the State is anticipated, other than the cost of publication. The cost to the state for publication of the resolution is \$76,352.**

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, BB, BR



March 25 1999 Engrossed

Ratney Spaw  
Engrossing Clerk

I hereby certify that this is a true and correct  
copy of the original as the same was  
presented or introduced in committee.

Attest my hand and seal this 25th day of March 1999.

By: Carona

S.J.R. No. 21

(Hamric, Allen, Turner of Coleman, Van de Putte, Davis of Dallas)

SENATE JOINT RESOLUTION

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13 a family or single adult, "personal property homestead" meaning  
14 that personal property exempt by law from forced sale for debt;  
15 [and]

16 (2) subject to Subsections (e) and (g) of this  
17 section, all other tangible personal property, except structures  
18 which are personal property and are used or occupied as residential  
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25 (e) The governing body of a political subdivision[~~7--other~~

1 ~~than--a-county-education-district,~~] may provide for the taxation of  
 2 all property exempt under a law adopted under Subdivision (2) or  
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 6 the taxation of vehicles exempted under the authority of  
 7 Subdivision (3) of Subsection (d) of this section. [~~In-the-manner~~  
 8 ~~provided-by-law,~~~~the-voters-of-a-county-education--district--at--an~~  
 9 ~~election--held-for-that-purpose-may-provide-for-the-taxation-of-all~~  
 10 ~~property-exempt-under--a--law--adopted--under--Subdivision--(2)--of~~  
 11 ~~Subsection--(d)--of--this--section--and--not-exempt-from-ad-valorem~~  
 12 ~~taxation-by-any-other-law-]~~

13 SECTION 2. This proposed constitutional amendment shall be  
 14 submitted to the voters at an election to be held November 2, 1999.  
 15 The ballot shall be printed to permit voting for or against the  
 16 proposition: "The constitutional amendment to authorize the  
 17 legislature to exempt from ad valorem taxation leased motor  
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**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 76th Regular Session**

March 7, 1999

**TO:** Honorable Bill Ratliff, Chair, Senate Committee on Finance

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** SJR21 by Carona (proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income), **As Introduced**

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**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, BB, BR

# HOUSE COMMITTEE REPORT

99 APR 30 AM 8: 25  
HOUSE OF REPRESENTATIVES

1<sup>st</sup> Printing

By: Carona  
(Oliveira)

S.J.R. No. 21

## SENATE JOINT RESOLUTION

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19 dwellings and except property held or used for the production of  
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 all property exempt under a law adopted under Subdivision (2) or  
(3) of Subsection (d) of this section and not exempt from ad  
valorem taxation by any other law. The Legislature by general law  
may provide limitations to the application of this subsection to  
the taxation of vehicles exempted under the authority of  
Subdivision (3) of Subsection (d) of this section. [In-the-manner  
~~provided-by-law, the voters of a county education district at an~~  
~~election held for that purpose may provide for the taxation of all~~  
~~property exempt under a law adopted under Subdivision (2) of~~  
~~Subsection (d) of this section and not exempt from ad valorem~~  
~~taxation by any other law.]~~

SECTION 2. This proposed constitutional amendment shall be  
 submitted to the voters at an election to be held November 2, 1999.  
 The ballot shall be printed to permit voting for or against the  
 proposition: "The constitutional amendment to authorize the  
 legislature to exempt from ad valorem taxation leased motor  
 vehicles not held by the lessee primarily to produce income."

COMMITTEE REPORT

4/22/99  
(date)

The Honorable James E. "Pete" Laney  
Speaker of the House of Representatives

Sir:

We, your COMMITTEE ON WAYS AND MEANS  
to whom was referred Senate Joint Resolution 21 have had the same under consideration and beg to report  
back with the recommendation that it

- ☒ do pass, without amendment.  
☐ do pass, with amendment(s).  
☐ do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.  
☒ yes ☐ no A fiscal note was requested.  
☐ yes ☒ no A criminal justice policy impact statement was requested.  
☐ yes ☒ no An equalized educational funding impact statement was requested.  
☐ yes ☒ no An actuarial analysis was requested.  
☐ yes ☒ no A water development policy impact statement was requested.  
☒ yes ☐ no A tax equity note was requested.  
☐ The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor Representative Oliveira

Joint Sponsors: \_\_\_\_\_

Co-Sponsors: \_\_\_\_\_

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Oliveira, Chair	X			
McCall, Vice-chair	X			
Bonnen	X			
Craddick	X			
Davis, Y.				X
Heflin	X			
Hilbert	X			
Keffer	X			
King, T.	X			
Ramsay				X
Sadler				X

Total  
8 aye  
0 nay  
0 present, not voting  
3 absent

Rui O. Oliveira  
CHAIR

## **BILL ANALYSIS**

Office of House Bill Analysis

S.J.R. 21  
By: Carona  
Ways & Means  
4/28/1999  
Engrossed

### **BACKGROUND AND PURPOSE**

Under current law, taxing entities are authorized to tax vehicles leased for personal use. As proposed, S.J.R. 21 requires the submission to the voters of a constitutional amendment exempting from ad valorem taxation a leased motor vehicle that is not held primarily for the production of income by the lessee and that otherwise qualifies under general law for exemption

### **RULEMAKING AUTHORITY**

It is the opinion of the Office of House Bill Analysis that this bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Sections 1(d) and (e), Article VIII, Texas Constitution, as follows:

(d) Authorizes the legislature to exempt from ad valorem taxation a leased motor vehicle that is not held primarily for the production of income by the lessee and that otherwise qualifies under general law for exemption, subject to Subsection (e) of this section.

(e) Authorizes the legislature by general law to provide limitations to the application of this subsection to the taxation of vehicles exempted under the authority of Subsection (d) of this section. Deletes the authorization of voters of a county education district to provide for the taxation of tangible personal property that is not exempt from taxation under any other law.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 2, 1999. Sets forth the required language for the ballot.

SUMMARY OF COMMITTEE ACTION

SJR 21

April 22, 1999      upon adjournment  
Considered in public hearing  
Reported favorably without amendment(s)



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 76th Regular Session**

April 29, 1999

**TO:** Honorable Rene Oliveira, Chair, House Committee on Ways & Means

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** **SJR21** by Carona (proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income), **As Engrossed**

**No fiscal implication to the State is anticipated, other than the cost of publication. The cost to the state for publication of the resolution is \$76,352.**

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, BB, BR

3

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 76th Regular Session**

March 7, 1999

**TO:** Honorable Bill Ratliff, Chair, Senate Committee on Finance

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** SJR21 by Carona (proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income), **As Introduced**

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**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, BB, BR

LEGISLATIVE BUDGET BOARD

Tax/Fee Equity Note

April 27, 1999

TO: Honorable Rene Oliveira, Chair  
Committee on Ways & Means  
House  
Austin, Texas

IN RE: Senate Joint Resolution  
No. 21, As Engrossed  
By: Carona

FROM: John Keel, Director

In response to your request for a Tax/Fee Equity Note on SJR21 (Proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income.) this office has determined the following:

Because the bill would not create or impact a state tax or fee, no comment from this office is required by the rules of the House as to the general effects of the proposal on the distribution of tax and fee burdens among individuals and businesses.

CORRECTED  
**HOUSE**  
**COMMITTEE REPORT**  
**1<sup>st</sup> Printing**

99 MAY -4 AM 8: 39  
HOUSE OF REPRESENTATIVES

By: Carona

S.J.R. No. 21

(Hamric, Allen, Turner of Coleman, Van de Putte, Davis of Dallas)

SENATE JOINT RESOLUTION

proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income.

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SECTION 1. Subsections (d) and (e), Section 1, Article VIII, Texas Constitution, are amended to read as follows:

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(1) all or part of the personal property homestead of a family or single adult, "personal property homestead" meaning that personal property exempt by law from forced sale for debt; [and]

(2) subject to Subsections (e) and (g) of this section, all other tangible personal property, except structures which are personal property and are used or occupied as residential dwellings and except property held or used for the production of income; and

(3) subject to Subsection (e) of this section, a leased motor vehicle that is not held primarily for the production of income by the lessee and that otherwise qualifies under general law for exemption.

(e) The governing body of a political subdivision[7--other

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 18 vehicles not held by the lessee primarily to produce income."

COMMITTEE REPORT

The Honorable James E. "Pete" Laney  
Speaker of the House of Representatives

4/22/99  
(date)

Sir:

We, your COMMITTEE ON WAYS AND MEANS  
to whom was referred Senate Joint Resolution 21 have had the same under consideration and beg to report back with the recommendation that it

- ☒ do pass, without amendment.  
☐ do pass, with amendment(s).  
☐ do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.  
☒ yes ☐ no A fiscal note was requested.  
☐ yes ☒ no A criminal justice policy impact statement was requested.  
☐ yes ☒ no An equalized educational funding impact statement was requested.  
☐ yes ☒ no An actuarial analysis was requested.  
☐ yes ☒ no A water development policy impact statement was requested.  
☒ yes ☐ no A tax equity note was requested.  
☐ The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor Representative Hamric

Joint Sponsors: Allen Turner, Bob, Vandepotte, Davis, Yvonne

Co-Sponsors: \_\_\_\_\_

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Oliveira, Chair	X			
McCall, Vice-chair	X			
Bonnen	X			
Craddick	X			
Davis, Y.				X
Heflin	X			
Hilbert	X			
Keffer	X			
King, T.	X			
Ramsay				X
Sadler				X

Total

8 aye  
0 nay  
0 present, not voting  
3 absent

Ken O. O'Brien  
CHAIR

## **BILL ANALYSIS**

Office of House Bill Analysis

S.J.R. 21  
By: Carona  
Ways & Means  
4/28/1999  
Engrossed

### **BACKGROUND AND PURPOSE**

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### **RULEMAKING AUTHORITY**

It is the opinion of the Office of House Bill Analysis that this bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

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SECTION 1. Amends Sections 1(d) and (e), Article VIII, Texas Constitution, as follows:

(d) Authorizes the legislature to exempt from ad valorem taxation a leased motor vehicle that is not held primarily for the production of income by the lessee and that otherwise qualifies under general law for exemption, subject to Subsection (e) of this section.

(e) Authorizes the legislature by general law to provide limitations to the application of this subsection to the taxation of vehicles exempted under the authority of Subsection (d) of this section. Deletes the authorization of voters of a county education district to provide for the taxation of tangible personal property that is not exempt from taxation under any other law.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 2, 1999. Sets forth the required language for the ballot.

SUMMARY OF COMMITTEE ACTION

SJR 21

April 22, 1999 upon adjournment  
Considered in public hearing  
Reported favorably without amendment(s)



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 76th Regular Session**

April 29, 1999

**TO:** Honorable Rene Oliveira, Chair, House Committee on Ways & Means

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** **SJR21** by Carona (proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income), **As Engrossed**

**No fiscal implication to the State is anticipated, other than the cost of publication. The cost to the state for publication of the resolution is \$76,352.**

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, BB, BR

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 76th Regular Session**

March 7, 1999

**TO:** Honorable Bill Ratliff, Chair, Senate Committee on Finance

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** **SJR21** by Carona (proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income), **As Introduced**

**No fiscal implication to the State is anticipated, other than the cost of publication.** The cost to the state for publication of the resolution is \$76,352.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, BB, BR

LEGISLATIVE BUDGET BOARD

Tax/Fee Equity Note

April 27, 1999

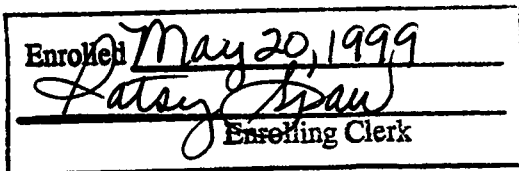
TO: Honorable Rene Oliveira, Chair  
Committee on Ways & Means  
House  
Austin, Texas

IN RE: Senate Joint Resolution  
No. 21, As Engrossed  
By: Carona

FROM: John Keel, Director

In response to your request for a Tax/Fee Equity Note on SJR21 (Proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income.) this office has determined the following:

Because the bill would not create or impact a state tax or fee, no comment from this office is required by the rules of the House as to the general effects of the proposal on the distribution of tax and fee burdens among individuals and businesses.



S.J.R. No. 21

SENATE JOINT RESOLUTION

1 proposing a constitutional amendment relating to the exemption from  
2 ad valorem taxation of certain leased motor vehicles not held  
3 primarily for the production of income.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subsections (d) and (e), Section 1, Article VIII,  
6 Texas Constitution, are amended to read as follows:

7 (d) The Legislature by general law shall exempt from ad  
8 valorem taxation household goods not held or used for the  
9 production of income and personal effects not held or used for the  
10 production of income. The Legislature by general law may exempt  
11 from ad valorem taxation:

12 (1) all or part of the personal property homestead of  
13 a family or single adult, "personal property homestead" meaning  
14 that personal property exempt by law from forced sale for debt;  
15 [and]

16 (2) subject to Subsections (e) and (g) of this  
17 section, all other tangible personal property, except structures  
18 which are personal property and are used or occupied as residential  
19 dwellings and except property held or used for the production of  
20 income; and

21 (3) subject to Subsection (e) of this section, a  
22 leased motor vehicle that is not held primarily for the production  
23 of income by the lessee and that otherwise qualifies under general  
24 law for exemption.

25 (e) The governing body of a political subdivision[7--other

1     ~~than--a-county-education-district,~~] may provide for the taxation of  
 2     all property exempt under a law adopted under Subdivision (2) or  
 3     (3) of Subsection (d) of this section and not exempt from ad  
 4     valorem taxation by any other law. The Legislature by general law  
 5     may provide limitations to the application of this subsection to  
 6     the taxation of vehicles exempted under the authority of  
 7     Subdivision (3) of Subsection (d) of this section. [~~In-the-manner~~  
 8     ~~provided-by-law,-the-voters-of-a-county-education--district--at--an~~  
 9     ~~election--held-for-that-purpose-may-provide-for-the-taxation-of-all~~  
 10    ~~property-exempt-under--a--law--adopted--under--Subdivision--(2)--of~~  
 11    ~~Subsection--(d)--of--this--section--and--not-exempt-from-ad-valorem~~  
 12    ~~taxation-by-any-other-law.~~]

13         SECTION 2. This proposed constitutional amendment shall be  
 14     submitted to the voters at an election to be held November 2, 1999.  
 15     The ballot shall be printed to permit voting for or against the  
 16     proposition: "The constitutional amendment to authorize the  
 17     legislature to exempt from ad valorem taxation leased motor  
 18     vehicles not held by the lessee primarily to produce income."

S.J.R. No. 21

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.J.R. No. 21 was adopted by the Senate on March 25, 1999, by the following vote: Yeas 30, Nays 1.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.J.R. No. 21 was adopted by the House on May 19, 1999, by the following vote: Yeas 143, Nays 0, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 76th Regular Session**

April 29, 1999

**TO:** Honorable Rene Oliveira, Chair, House Committee on Ways & Means

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** **SJR21** by Carona (proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income), **As Engrossed**

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**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, BB, BR

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 76th Regular Session**

March 7, 1999

**TO:** Honorable Bill Ratliff, Chair, Senate Committee on Finance

**FROM:** John Keel, Director, Legislative Budget Board

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**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, BB, BR



LEGISLATIVE BUDGET BOARD

Tax/Fee Equity Note

April 27, 1999

TO: Honorable Rene Oliveira, Chair  
Committee on Ways & Means  
House  
Austin, Texas

IN RE: Senate Joint Resolution  
No. 21, As Engrossed  
By: Carona

FROM: John Keel, Director

In response to your request for a Tax/Fee Equity Note on SJR21 (Proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income.) this office has determined the following:

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President of the Senate

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Speaker of the House

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Secretary of the Senate

I hereby certify that S.J.R. No. 21 was adopted by the House on May 19, 1999, by the following vote: Yeas 143, Nays 0, two present not voting.

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Chief Clerk of the House

**Proposing a constitutional amendment relating to the exemption from ad valorem taxation of certain leased motor vehicles not held primarily for the production of income.**

2-4-99FEB 10 1999MAR 22 1999

Filed with the Secretary of the Senate

Read and referred to Committee on FINANCE

Reported favorably \_\_\_\_\_

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

Ordered not printed

Laid before the Senate

MAR 25 1999Senate and Constitutional Rules to permit consideration suspended by: { unanimous consent  
\_\_\_\_ yeas, \_\_\_\_ naysMAR 25 1999Read second time, \_\_\_\_\_, and ordered engrossed by: { viva voce vote  
\_\_\_\_ yeas, \_\_\_\_ naysMAR 25 1999Senate and Constitutional 3 Day Rule suspended by a vote of 29 yeas, 2 nays.MAR 25 1999Read third time, \_\_\_\_\_, and passed by: 30 yeas, 1 nays

## OTHER ACTION:

Betty King  
SECRETARY OF THE SENATE

March 25, 1999 EngrossedMarch 29, 1999 Sent to House

Engrossing Clerk

Patricia Spaw

MAR 29 1999

Received from the Senate

MAR 30 1999Read first time and referred to Committee on Ways and MeansAPR 22 1999Reported \_\_\_\_\_ favorably (~~amended~~) (~~amended~~)APR 30 1999

Sent to Committee on Calendars

MAY 04 1999CORRECTED REPORT SENT TO CALENDARSMAY 19 1999Read second time (~~comm. subst.~~) (~~amended~~) and adopted (~~passed to third reading~~) by a record vote of 143 yeas, 0 nays, 2 present, not votingRead third time (~~amended~~) and finally adopted (~~failed of adoption~~) by a record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not votingMAY 20 1999

Returned to Senate.

Sharon Carter

CHIEF CLERK OF THE HOUSE

MAY 20 1999

Returned from House without amendment.

Returned from House with \_\_\_\_\_ amendments.

Concurred in House amendments by a viva voce vote \_\_\_\_\_ yeas, \_\_\_\_\_ nays.

\_\_\_\_\_ Refused to concur in House amendments and requested the appointment of a Conference Committee to adjust the differences.

\_\_\_\_\_ Senate conferees instructed.

\_\_\_\_\_ Senate conferees appointed: \_\_\_\_\_, Chairman; \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.

\_\_\_\_\_ House granted Senate request. House conferees appointed: \_\_\_\_\_, Chairman; \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_ Conference Committee Report read and filed with the Secretary of the Senate.

\_\_\_\_\_ Conference Committee Report adopted on the part of the House by: \_\_\_\_\_

{ a viva voce vote  
\_\_\_\_\_ yeas, \_\_\_\_\_ nays

\_\_\_\_\_ Conference Committee Report adopted on the part of the Senate by:

{ a viva voce vote  
\_\_\_\_\_ yeas, \_\_\_\_\_ nays

OTHER ACTION:

99 MAY -4 AM 8:39  
HOUSE OF REPRESENTATIVES

\_\_\_\_\_ Recommitted to Conference Committee

\_\_\_\_\_ Conferees discharged.

\_\_\_\_\_ Conference Committee Report failed of adoption by: \_\_\_\_\_

{ a viva voce vote  
\_\_\_\_\_ yeas, \_\_\_\_\_ nays

99 APR 30 AM 8:25  
HOUSE OF REPRESENTATIVES